

CITY OF FARGO EMPLOYEES PENSION PLAN
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 29, 2008

	February-08				January-08				December-07				Current Fiscal YTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	(1) Net ROR	Net ROR	Net ROR	Net ROR
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
LA Capital	1,220,035	4.0%	4.1%	0.19%	1,171,387	3.8%	4.1%	-9.30%	1,291,207	4.1%	4.1%	N/A	N/A	N/A	N/A	N/A
Total Structured Growth	1,220,035	4.0%	4.1%	0.19%	1,171,387	3.8%	4.1%	-9.30%	1,291,207	4.1%	4.1%	N/A	N/A	N/A	N/A	N/A
Russell 1000 Growth				-1.99%				-7.80%				N/A	N/A	N/A	N/A	N/A
<i>Structured Value</i>																
LSV	1,232,608	4.0%	4.5%	-3.97%	1,334,543	4.3%	4.5%	-3.65%	1,384,627	4.4%	4.5%	N/A	N/A	N/A	N/A	N/A
Russell 1000 Value				-4.19%				-4.01%				N/A	N/A	N/A	N/A	N/A
<i>Enhanced Russell 1000 Index</i>																
LA Capital	1,027,222	3.4%	3.8%	-1.66%	1,114,495	3.6%	3.8%	-7.96%	1,210,650	3.8%	3.8%	N/A	N/A	N/A	N/A	N/A
Russell 1000				-3.06%				-6.00%				N/A	N/A	N/A	N/A	N/A
<i>Enhanced S&P 500 Index</i>																
Northern Trust	692,370	2.3%	3.0%	-3.57%	872,310	2.8%	3.0%	-6.39%	931,651	3.0%	3.0%	N/A	N/A	N/A	N/A	N/A
Westridge	1,083,846	3.6%	3.9%	-3.14%	1,129,730	3.7%	3.9%	-5.91%	1,200,378	3.8%	3.9%	N/A	N/A	N/A	N/A	N/A
Wells Capital	769,158	2.5%	3.0%	-4.78%	813,569	2.6%	3.0%	-14.25%	946,957	3.0%	3.0%	N/A	N/A	N/A	N/A	N/A
European Credit Management	531,630	1.7%	1.4%	-7.49%	392,509	1.3%	1.4%	-9.31%	432,797	1.4%	1.4%	N/A	N/A	N/A	N/A	N/A
Franklin	789,963	2.6%	3.0%	-2.35%	815,660	2.6%	3.0%	-6.36%	870,498	2.8%	3.0%	N/A	N/A	N/A	N/A	N/A
Total Enhanced S&P 500 Index	3,866,967	12.7%	14.3%	-3.83%	4,023,777	13.1%	14.3%	-8.24%	4,382,280	13.9%	14.3%	N/A	N/A	N/A	N/A	N/A
S&P 500				-3.25%				-6.00%				N/A	N/A	N/A	N/A	N/A
<i>Absolute Return Strategy</i>																
Epoch	550,706	1.8%	1.4%	-0.82%	405,655	1.3%	1.4%	-4.28%	423,036	1.3%	1.4%	N/A	N/A	N/A	N/A	N/A
S&P 500				-3.25%				-6.00%				N/A	N/A	N/A	N/A	N/A
<i>S&P 500 Index</i>																
State Street	610,039	2.0%	2.1%	-2.95%	559,811	1.8%	2.1%	-7.01%	601,623	1.9%	2.1%	N/A	N/A	N/A	N/A	N/A
S&P 500				-3.25%				-6.00%				N/A	N/A	N/A	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	8,507,577	27.9%	30.0%	-2.82%	8,609,667	28.0%	30.0%	-7.41%	9,293,424	29.5%	30.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				-3.25%				-6.00%				N/A	N/A	N/A	N/A	N/A
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	1,989,483	6.5%	7.2%	-4.39%	2,132,872	6.9%	7.2%	-8.32%	2,160,091	6.9%	7.2%	N/A	N/A	N/A	N/A	N/A
Russell 2000 + 200bp				-3.54%				-6.65%				N/A	N/A	N/A	N/A	N/A
Callan	842,888	2.8%	2.8%	-3.50%	873,850	2.8%	2.8%	-7.52%	924,815	2.9%	2.8%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-3.71%				-6.82%				N/A	N/A	N/A	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	2,832,371	9.3%	10.0%	-4.13%	3,006,722	9.8%	10.0%	-8.08%	3,084,906	9.8%	10.0%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-3.71%				-6.82%				N/A	N/A	N/A	N/A	N/A
INTERNATIONAL EQUITY																
<i>Large Cap - Core</i>																
State Street	316,250	1.0%	1.0%	0.65%	294,222	1.0%	1.0%	-9.31%	317,411	1.0%	1.0%	N/A	N/A	N/A	N/A	N/A
MSCI EAFE				1.43%				-9.24%				N/A	N/A	N/A	N/A	N/A
<i>Large Cap - Active</i>																
Capital Guardian	957,677	3.1%	3.0%	0.61%	902,928	2.9%	3.0%	-9.27%	976,320	3.1%	3.0%	N/A	N/A	N/A	N/A	N/A
LSV	959,386	3.1%	3.0%	0.30%	833,326	2.7%	3.0%	-10.31%	909,080	2.9%	3.0%	N/A	N/A	N/A	N/A	N/A
Bank of Ireland	11,600	0.0%	1.0%	-0.74%	267,067	0.9%	1.0%	-10.79%	292,876	0.9%	1.0%	N/A	N/A	N/A	N/A	N/A
Total Large Cap - Active	1,928,662	6.3%	7.0%	0.30%	2,003,321	6.5%	7.0%	-9.91%	2,178,276	6.9%	7.0%	N/A	N/A	N/A	N/A	N/A
MSCI EAFE - 50% Hedged				0.38%				-10.14%				N/A	N/A	N/A	N/A	N/A
<i>Small Cap - Active</i>																
Lazard	48	0.0%	0.0%	N/A	79	0.0%	0.0%	N/A	94	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
DFA	317,596	1.0%	1.0%	2.19%	267,766	0.9%	1.0%	-6.60%	280,657	0.9%	1.0%	N/A	N/A	N/A	N/A	N/A
Wellington	302,308	1.0%	1.0%	6.23%	285,039	0.9%	1.0%	-11.37%	314,462	1.0%	1.0%	N/A	N/A	N/A	N/A	N/A
Total Small Cap - Active	619,952	2.0%	2.0%	4.27%	552,884	1.8%	2.0%	-9.12%	595,213	1.9%	2.0%	N/A	N/A	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				4.10%				-9.70%				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	2,864,865	9.4%	10.0%	1.11%	2,850,426	9.3%	10.0%	-9.69%	3,090,900	9.8%	10.0%	N/A	N/A	N/A	N/A	N/A
MSCI EAFE - 50% Hedged				0.38%				-10.14%				N/A	N/A	N/A	N/A	N/A
EMERGING MARKETS EQUITY																
<i>Core</i>																
JP Morgan	225,895	0.7%	0.9%	4.93%	244,837	0.8%	0.9%	-10.45%	273,202	0.9%	0.9%	N/A	N/A	N/A	N/A	N/A
PanAgora	226,482	0.7%	0.9%	7.06%	234,071	0.8%	0.9%	-12.26%	266,600	0.8%	0.9%	N/A	N/A	N/A	N/A	N/A
WestLB	290,286	1.0%	0.9%	7.44%	239,299	0.8%	0.9%	-11.79%	270,265	0.9%	0.9%	N/A	N/A	N/A	N/A	N/A
UBS	414,317	1.4%	1.5%	4.38%	352,239	1.1%	1.5%	-11.65%	398,385	1.3%	1.5%	N/A	N/A	N/A	N/A	N/A
Total Core	1,156,980	3.8%	4.1%	5.78%	1,070,445	3.5%	4.1%	-11.54%	1,208,451	3.8%	4.1%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets				7.42%				-12.45%				N/A	N/A	N/A	N/A	N/A
<i>Small Cap</i>																
DFA	244,534	0.8%	1.0%	2.89%	233,037	0.8%	1.0%	-12.06%	264,992	0.8%	1.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets				7.42%				-12.45%				N/A	N/A	N/A	N/A	N/A
<i>Private Equity</i>																
Capital International	67,802	0.2%	0.2%	0.00%	29,442	0.1%	0.1%	0.00%	29,442	0.1%	0.1%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets												N/A	N/A	N/A	N/A	N/A
TOTAL EMERGING MARKETS EQUITY	1,469,317	4.8%	5.0%	5.14%	1,332,924	4.3%	5.0%	-11.41%	1,502,885	4.8%	5.0%	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets				7.42%				-12.45%				N/A	N/A	N/A	N/A	N/A
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	703,078	2.3%	2.1%	-1.35%	757,692	2.5%	2.1%	1.98%	732,245	2.3%	2.2%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				0.14%				1.68%				N/A	N/A	N/A	N/A	N/A
<i>Index</i>																
Bank of ND	1,106,438	3.6%	3.2%	0.53%	1,111,466	3.6%	3.2%	2.17%	1,502,776	4.8%	6.0%	N/A	N/A	N/A	N/A	N/A
Total Index	1,106,438	3.6%	3.2%	0.53%	1,111,466	3.6%	3.2%	2.17%	1,502,776	4.8%	6.0%	N/A	N/A	N/A	N/A	N/A
Lehman Gov/Credit				0.63%				1.90%				N/A	N/A	N/A	N/A	N/A
<i>Enhanced</i>																
Westridge	505,182	1.7%	1.6%	1.69%	493,745	1.6%	1.6%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate												N/A	N/A	N/A	N/A	N/A
<i>Convertibles</i>																
Calamos	672,204	2.2%	2.1%	-1.47%	695,296	2.3%	2.1%	-4.31%	716,016	2.3%	2.2%	N/A	N/A	N/A	N/A	N/A
Total Convertibles	672,204	2.2%	2.1%	-1.47%	695,296	2.3%	2.1%	-4.31%	716,016	2.3%	2.2%	N/A	N/A	N/A	N/A	N/A
Merrill Lynch All Convertibles				-0.62%				-1.91%				N/A	N/A	N/A	N/A	N/A
<i>BBB Average Quality</i>																
Wells Capital	762,322	2.5%	2.1%	0.13%	753,431	2.4%	2.1%	1.14%	733,814	2.3%	2.2%	N/A	N/A	N/A	N/A	N/A
Lehman BBB				-0.33%				0.38%				N/A	N/A	N/A	N/A	N/A
<i>Private Debt</i>																
Prudential	710,545	2.3%	2.1%	0.65%	783,073	2.5%	2.1%	0.94%	764,458	2.4%	2.2%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				0.14%				1.68%				N/A	N/A	N/A	N/A	N/A

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	February-08				January-08				December-07				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Month		Allocation		Quarter		Fiscal YTD	FY07	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	(1) Net ROR	Net ROR	6/30/2007 Net ROR	6/30/2007 Net ROR
Timberland																
TIR - Tereido	749,985	2.5%	2.5%	-0.06%	742,537	2.4%	2.4%	19.49%	692,298	2.2%	2.2%	N/A	N/A	N/A	N/A	N/A
TIR - Springbank	1,613,384	5.3%	5.3%	-0.02%	1,597,651	5.2%	5.2%	5.66%	1,318,101	4.2%	4.2%	N/A	N/A	N/A	N/A	N/A
Total Timberland	2,363,369	7.7%	7.7%	-0.03%	2,340,187	7.6%	7.6%	10.42%	2,010,398	6.4%	6.4%	N/A	N/A	N/A	N/A	N/A
NCREIF Timberland Index				3.03%								N/A	N/A	N/A	N/A	N/A
Infrastructure																
JP Morgan	957,725	3.1%	3.1%	-0.17%	948,227	3.1%	3.1%	-0.86%	940,428	3.0%	3.0%	N/A	N/A	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	7,780,864	25.5%	24.0%	-0.03%	7,883,117	25.6%	24.0%	3.15%	7,400,136	23.5%	24.0%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				0.14%				1.68%				N/A	N/A	N/A	N/A	N/A
HIGH YIELD BONDS																
Core																
Loomis Sayles	741,342	2.4%	2.2%	-1.64%	754,504	2.5%	2.2%	-0.75%	722,729	2.3%	2.3%	N/A	N/A	N/A	N/A	N/A
Sutter/Wells Capital	602,570	2.0%	2.2%	-5.52%	639,996	2.1%	2.2%	-5.45%	642,278	2.0%	2.3%	N/A	N/A	N/A	N/A	N/A
Total Core	1,343,913	4.4%	4.4%	-3.42%	1,394,500	4.5%	4.5%	-0.29%	1,365,007	4.3%	4.6%	N/A	N/A	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-1.24%				-1.53%				N/A	N/A	N/A	N/A	N/A
Mezzanine Debt																
Goldman Sachs 2006 Fund	36,100	0.1%	0.1%	5.08%	34,355	0.1%	0.1%	0.00%	32,697	0.1%	0.1%	N/A	N/A	N/A	N/A	N/A
Goldman Sachs Fund V	27,752	0.1%	0.1%	0.00%	27,752	0.1%	0.1%	0.00%	26,413	0.1%	0.1%	N/A	N/A	N/A	N/A	N/A
TCW	41,383	0.1%	0.1%	-0.74%	56,668	0.2%	0.2%	-0.59%	54,255	0.2%	0.2%	N/A	N/A	N/A	N/A	N/A
Total Mezzanine Debt	105,235	0.3%	0.3%	1.12%	118,774	0.4%	0.4%	-0.28%	113,364	0.4%	0.4%	N/A	N/A	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-1.24%				-1.53%				N/A	N/A	N/A	N/A	N/A
Distressed Mortgages																
PIMCO	66,707	0.2%	0.2%	0.00%	40,277	0.1%	0.1%	0.00%	18,866	0.1%	0.1%	N/A	N/A	N/A	N/A	N/A
Declaration Management	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Distressed Mortgages	66,707	0.2%	0.2%	0.00%	40,277	0.1%	0.1%	0.00%	18,866	0.1%	0.1%	N/A	N/A	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-1.24%				-1.53%				N/A	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	1,515,855	5.0%	5.0%	-2.99%	1,553,551	5.0%	5.0%	-2.72%	1,497,238	4.8%	5.0%	N/A	N/A	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-1.24%				-1.53%				N/A	N/A	N/A	N/A	N/A
INTERNATIONAL FIXED INCOME																
International Sovereign																
UBS Global (Brinson)	821,141	2.7%	2.5%	2.46%	801,214	2.6%	2.5%	4.06%	757,819	2.4%	2.5%	N/A	N/A	N/A	N/A	N/A
Citigroup Non-US Gov't Bond Index				2.76%				3.99%				N/A	N/A	N/A	N/A	N/A
International Core																
Brandywine	825,418	2.7%	2.5%	1.58%	814,374	2.6%	2.5%	1.03%	792,424	2.5%	2.5%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				2.57%				3.39%				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	1,646,559	5.4%	5.0%	2.02%	1,615,588	5.2%	5.0%	2.51%	1,550,243	4.9%	5.0%	N/A	N/A	N/A	N/A	N/A
Citigroup Non-US Gov't Bond Index				2.76%				3.99%				N/A	N/A	N/A	N/A	N/A
REAL ESTATE																
INVECO - Core	663,552			-0.04%	669,102			-3.39%	673,173			N/A	N/A	N/A	N/A	N/A
INVECO - Fund II	19,344			0.00%	19,344			-14.90%	22,095			N/A	N/A	N/A	N/A	N/A
J.P. Morgan Strategic & Special Funds	713,946			0.39%	711,153			0.17%	698,621			N/A	N/A	N/A	N/A	N/A
J.P. Morgan Alternative Property Fund	163,712			-0.10%	163,712			0.00%	159,128			N/A	N/A	N/A	N/A	N/A
J.P. Morgan Greater China Property Fund	11,085			0.00%	11,085			N/A				N/A	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	1,571,639	5.2%	5.0%	0.15%	1,574,396	5.1%	5.0%	-1.60%	1,553,018	4.9%	5.0%	N/A	N/A	N/A	N/A	N/A
NCREIF TOTAL INDEX				1.06%				1.06%				N/A	N/A	N/A	N/A	N/A
ALTERNATIVE INVESTMENTS																
Coral Partners V	62,281			0.00%	62,252			0.00%	62,272			N/A	N/A	N/A	N/A	N/A
Coral Partners V - Supplemental	7,499			0.00%	7,495			0.00%	7,450			N/A	N/A	N/A	N/A	N/A
Coral Momentum Fund (Formerly Fund VI)	137,867			0.00%	137,801			0.00%	149,290			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	9,022			0.00%	14,349			0.00%	14,121			N/A	N/A	N/A	N/A	N/A
Brinson 1999 Partnership Fund	28,548			0.00%	28,535			0.00%	28,081			N/A	N/A	N/A	N/A	N/A
Brinson 2000 Partnership Fund	81,929			0.00%	105,964			0.00%	104,280			N/A	N/A	N/A	N/A	N/A
Brinson 2001 Partnership Fund	76,955			0.00%	76,919			0.00%	75,697			N/A	N/A	N/A	N/A	N/A
Brinson 2002 Partnership Fund	40,132			0.00%	40,113			0.00%	39,475			N/A	N/A	N/A	N/A	N/A
Brinson 2003 Partnership Fund	15,080			0.00%	15,072			0.00%	14,833			N/A	N/A	N/A	N/A	N/A
Total Brinson Partnership Funds	251,666			0.00%	280,951			0.00%	276,488			N/A	N/A	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	11,324			0.00%	11,319			0.00%	13,478			N/A	N/A	N/A	N/A	N/A
Brinson 2000 Non-US Partnership Fund	26,158			0.00%	26,146			0.00%	36,899			N/A	N/A	N/A	N/A	N/A
Brinson 2001 Non-US Partnership Fund	22,427			0.00%	22,416			0.00%	24,538			N/A	N/A	N/A	N/A	N/A
Brinson 2002 Non-US Partnership Fund	53,197			0.00%	55,333			0.00%	54,455			N/A	N/A	N/A	N/A	N/A
Brinson 2003 Non-US Partnership Fund	39,421			0.00%	49,349			0.00%	48,565			N/A	N/A	N/A	N/A	N/A
Brinson 2004 Non-US Partnership Fund	17,335			0.00%	19,815			0.00%	19,501			N/A	N/A	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	169,862			0.00%	184,378			0.00%	197,434			N/A	N/A	N/A	N/A	N/A
Adams Street 2008 Non-US Partnership Fd	830			0.00%	830			N/A				N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	175,632			0.00%	152,623			0.00%	150,225			N/A	N/A	N/A	N/A	N/A
Adams Street Direct Co-investment Fund	133,222			0.00%	122,370			0.00%	120,427			N/A	N/A	N/A	N/A	N/A
Matlin Patterson Global Opportunities	64,856			0.00%	64,825			0.00%	63,796			N/A	N/A	N/A	N/A	N/A
Matlin Patterson Global Opportunities II	292,468			0.00%	286,367			0.00%	281,818			N/A	N/A	N/A	N/A	N/A
Matlin Patterson Global Opportunities III	50,072			0.00%	50,048			0.00%	29,653			N/A	N/A	N/A	N/A	N/A
InvestAmerica	61,020			0.00%	60,991			0.00%	60,022			N/A	N/A	N/A	N/A	N/A
Hearthstone MSII	1,870			0.00%	623			0.00%	613			N/A	N/A	N/A	N/A	N/A
Hearthstone MSIII	26,931			0.00%	26,918			0.00%	21,256			N/A	N/A	N/A	N/A	N/A
Corsair III	86,391			0.00%	84,439			0.00%	79,941			N/A	N/A	N/A	N/A	N/A
Quantum Resources	34,966			0.00%	34,950			0.00%	34,395			N/A	N/A	N/A	N/A	N/A
Quantum Energy Partners	15,903			0.00%	15,896			0.00%	15,643			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	1,573,336	5.2%	5.0%	0.00%	1,573,809	5.1%	5.0%	0.00%	1,550,723	4.9%	5.0%	N/A	N/A	N/A	N/A	N/A
CASH EQUIVALENTS																
Northern Trust STIF/STEP	751,272	2.5%	1.0%	-0.33%	787,753	2.6%	1.0%	0.16%	982,075	3.1%	1.0%	N/A	N/A	N/A	N/A	N/A
90 Day T-Bill				0.15%				0.50%				N/A	N/A	N/A	N/A	N/A
TOTAL FUND	30,513,655	100.0%	100.0%	-0.92%	30,787,954	100.0%	100.0%	-0.92%	31,505,547	100.0%	100.0%	N/A	N/A	N/A	N/A	N/A
POLICY TARGET BENCHMARK				-0.77%				-3.53%				N/A	N/A	N/A	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Initial funding with State Investment Board on December 28, 2007.

(2) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.